stock was likewise liable to indemnify his vendor for calls subsequent to the purchase. See 1 MORAWETZ, PRIVATE CORPORATIONS, 2 ed., § 176; 2 COOK, CORPORATIONS, 7 ed., § 258. This result was reached by imposing a constructive trust on the vendor for all dividends paid him as the registered owner, with a consequent right to exoneration from all calls from which he relieved the beneficial owner. *Kellogg* v. *Stockwell*, 75 Ill. 68; *Humble* v. *Langston*, 7 M. & W. 517, 530; *Castellan* v. *Hobson*, L. R. 10 Eq. Cas. 47, 51. See *Locke* v. *Farmer's, etc. Trust Co.*, 140 N. Y. 135, 143, 35 N. E. 578, 580. But under this trust theory it is equally clear that the agent cannot be held, for the holder of the shares alone would be the beneficiary. Some courts, however, allow the registered holder to recover from his vendee on the basis of an implied contract that he shall be held harmless. *Walker* v. *Bartlett*, 18 C. B. 845. See *Brigham* v. *Mead*, 92 Mass. 245. Now in the principal case, as the agent bought to all intents and purposes as the principal, he may be held to the liability of a principal. See 2 MECHEM, AGENCY, §§ 1729, 2419. The question therefore arises, granted that such warranty of indemnification exists, is it limited to the time during which the vendee holds the stock? The basis of this contract theory is the analogy to the promise by the sublessee implied on the assignment of a lease, to indemnify the original lessee for breach of the covenant to pay rent. See *Burnett* v. *Lynch*, 5 B. & C. 589. But under certain circumstances, even this promise in the case of land is considered limited to the sublessee's period of ownership of the lease. *Walker* v. *Physick*, 5 Pa. St. 193. In the case of stocks, the ease of transfer and the disinclination that must be present of a vendor to be liable for all subsequent vendees must rebut any implied promise to indemnify for calls after having transferred the stock. The cases have so held. *Rogers* v. *Tolland*, 43 Pa. Super. Ct. 248, 255. See *Walker* v. *Bartlett*, 18 C. B. 845, 862.

TRUSTS — POWERS AND OBLIGATIONS OF TRUSTEES — OBLIGATION TO PREFER ONE SORT OF CESTUIS OVER ANOTHER. — A testatrix bequeathed all her property to trustees to convert and raise a fund of which the plaintiff was to be life-tenant. The trustees were given power to delay sale or conversion; but in the meantime the plaintiff was to receive three and one-half per cent interest. The trustees decided, *bona fide*, as the court found, to delay conversion until after the war, when a better price might be obtained. The plaintiff desires an immediate conversion in order that he may obtain a larger interest on the money. He sues to compel the trustees to convert. *Held*, that the plaintiff must be preferred to the residuary *cestuis*. *Re Charteris*, 179 L. T. J. 179 (Ch. D.).

A court will interfere to prevent the dishonest or capricious use of the power of a trustee. *Dingman* v. *Beall*, 213 Ill. 238, 72 N. E. 729. But when, as in the principal case, the trustee's discretion is exercised honestly, it cannot in general be reviewed. *Smith* v. *Wildman*, 37 Conn. 384. Thus when realty is devised to trustees to convert, with discretion to postpone the sale, they may generally exercise this discretion without interference from the court. *In re Blake*, 29 Ch. D. 913. The tendency, however, is not to allow the trustees to vary the relative interests of different classes of the beneficiaries. *In re Courtier*, 34 Ch. D. 136; *In re Rowlls*, [1900] 2 Ch. 107. See *Hampden* v. *Earl of Buckinghamshire*, [1893] 2 Ch. 531, 544. But even this will be allowed if it is clear that the testator intended it. *In re Pitcairn*, [1896] 2 Ch. 199. The principal case, therefore, can only stand if the power of delaying conversion was given primarily for the purpose of protecting the plaintiff. A more natural construction would be that it was given to protect the residuary *cestuis*, especially in view of the fact that the plaintiff was to be paid a definite rate of interest before the conversion.

VOLUNTARY ASSOCIATIONS — EFFECT OF INCORPORATION AND SUBSEQUENT DISSOLUTION. — A beneficial society was formed as an unincorporated associa-

tion. Subsequently it became incorporated in New Jersey. Owing to a New Jersey decision unfavorable to the corporation, it was voluntarily dissolved. Some of the members seized property of the society, claiming that the voluntary association still existed. The others seek to recover the property. *Held*, that they may recover it. *Schriner* v. *Sachs*, 253 Pa. 611, 98 Atl. 724.

After there had been the same organization, incorporation, and dissolution as in the above case, some of the members, as an independent body, were exercising the powers of the society. The others, claiming the existence of the voluntary association, seek to enjoin them. *Held*, that an injunction will not issue. *Doan* v. *Jones*, 99 Atl. 192 (N. J.).

If the incorporation of an existing association does not destroy the association but merely adds to it a corporate form, then the effect of the dissolution of such a corporation would in every case be no more than a removal of the form and would leave the original association intact. Such is the theory of the Pennsylvania court. But, by statute, dissolution ordinarily means a liquidation, and a distribution of the property. See 5 THOMPSON, CORPORATIONS, § 6465. And it is hard to justify a flat exception to this procedure as to all corporations formed from voluntary associations. Even if the statute were no obstacle, there are practical difficulties in this Pennsylvania view. For example: A majority of stockholders may ordinarily dissolve a corporation. See 5 THOMPSON, CORPORATIONS, § 6500. But, in the absence of regulations to the contrary, it requires unanimous consent to dissolve an association. *Hill* v. *Rauban Arre*, 200 Mass. 438, 86 N. E. 924. *Cf. Polar Star Lodge* v. *Polar Star Lodge*, 16 La. Ann. 53, 76. So, where an association becomes incorporated, if the association still exist, there could be no complete termination of the unit without unanimous consent of the members. The better view, it is submitted, is that the incorporation completely ends the association. What few decisions there are, seem to hold this way. See *National Organization* v. *Zuraw*, 89 Conn. 616, 619, 94 Atl. 976, 977; *Red Polled Cattle Club* v. *Red Polled Cattle Club*, 108 Ia. 105, 109, 78 N. W. 803, 805. Decisions also hold that unanimous consent is as necessary to incorporate the association as to dissolve it. *Mason* v. *Finch*, 28 Mich. 282. See *Koprucke* v. *Mojcrechowski*, 130 N. Y. Supp. 736, 739; WRIGHTINGTON, UNINCORPORATED ASSOCIATIONS, 306. These tend to show that the significance of dissolution of the association and incorporation of it are the same, namely, to entirely end the association. It would follow that the end of the corporation does not in itself mean the revival of the association. However, there is no reason why all the members might not immediately on the dissolution of the corporation form an association to take over the business of the corporation. Nor does there seem to be any reason why the purpose of the dissolution might not show this act itself to be the formation of a new association.

BOOK REVIEWS

INTERNATIONAL CASES, ARBITRATIONS, AND INCIDENTS. By Ellery C. Stowell and Henry F. Munro. Boston: Houghton Mifflin Company. 1916. Two Volumes. Volume I, Peace, pp. xxxvi, 496. Volume II, War and Neutrality. pp. xvii, 662.

In these volumes the authors collect and classify a large number of incidents bearing upon the practice of nations regarding international rights and duties. The incidents are sometimes narrated in the terms of newspaper accounts of official documents; but to a large extent the authors have been compelled to resort to paraphrase and condensation. The result is a mass of documentary or semi-documentary matter extremely useful as a basis for classroom discussion. Now and then there is expression of the opinions of the authors; but this